


DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS

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**ADP BULLETIN**

Title State Fiscal Year 2007-08 Budget Act Allocation, 2.0		Issue Date: October 4, 2007 Expiration Date: N/A	Issue No. 07-09
Deputy Director Approval  MICHAEL S. CUNNINGHAM Chief Deputy Director		Function: [] Information Management [] Quality Assurance [] Service Delivery [X] Fiscal [] Administration	Supersedes Bulletin/ADP Letter No. 07-02

PURPOSE

This bulletin transmits funding information for Alcohol and Other Drug (AOD) services for State Fiscal Year (FY) 2007-08. This bulletin includes five exhibits: (1) Overview of Program, Funding, and Allocation Methodologies, (2) Individual County Summary, (3) Statewide Allocation Summary, (4) Substance Abuse Prevention and Treatment (SAPT) Block Grant Pilot Exchange Program, and (5) Funding Periods Chart.

DISCUSSION

The Department of Alcohol and Drug Programs (ADP) received a net increase in funds allocated to counties in the FY 2007-08 Budget Act. The net increase is due to the increase in Drug Medi-Cal (DMC) funding of \$18.5 million and a \$115,000 reduction in the federal SAPT Block Grant award. Overall SAPT funding available for allocation is \$227.2 million for authorized prevention, treatment, and recovery services.

As announced in March 2006 and in the FY 2007-08 Governor's Preliminary Allocation, ADP adopted a needs-based allocation methodology for SAPT HIV Set Aside funds. The indicators of need used in this methodology are HIV counseling and testing including Living AIDS Cases, Sexually Transmitted Diseases, People Living Below the Federal Poverty Line, and People of Color in the General Population. These indicators will be updated each year and the funds will be redistributed each year to reflect the change in need. A minimum allocation of \$7,500 is set to ensure each county with an HIV need receives sufficient HIV funds to operate HIV services. Counties declining the funds must submit a letter to the Department indicating the need for HIV services will be provided through other funding.

The three-year SAPT Block Grant Pilot Exchange Program was continued for one year while an evaluation of its effectiveness is completed. This pilot project is intended to provide small counties with fiscal flexibility to best meet the needs of their clients and



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communities. The pilot program allows very small counties (populations under 40,000) to exchange SAPT categorical funds for equal amounts of SAPT Discretionary funds from the remaining counties. For FY 2007-08, only the Perinatal and Adolescent-Youth funds are included in the pilot exchange; HIV funds are not included because it is inconsistent with the needs-based allocation. As a condition of receiving SAPT funding, counties must adhere to the SAPT program requirements.

HIGHLIGHTS OF THE FY 2007-08 BUDGET ACT ALLOCATION

State General Fund (SGF)

The total 2007-08 SGF allocation provides \$167.1 million in SGF funds, with \$88.4 million designated for Drug Medi-Cal (DMC) services. ADP has budget authority for \$83.3 million for Regular DMC and \$5.1 million for Perinatal DMC services. A portion of these funds is available for contract adjustments during the year.

SAPT Block Grant

In FY 2007-08, a total of \$227.2 million in SAPT funds is available. The Federal Fiscal Year (FFY) 2007 SAPT Award included an ongoing \$115,000 reduction that results in reductions totaling \$106,000 to the SAPT Discretionary, SAPT Prevention, and SAPT HIV funds. This amount includes a \$9,000 reduction to ADP State operations.

As a reminder, reporting of SAPT Block Grant expenditures is a federal requirement and is in the Negotiated Net Amount/Drug Medi-Cal County-State contract. All counties must report SAPT expenditures by federal fiscal year award and by program fund and submit Quarterly Federal Financial Management Reports (QFFMRs) no later than 60 days after the end of each quarter. The QFFMRs provide a critical source of current expenditure data.

REFERENCES

Senate Bills 77/78 (Chapters 171/172, Statutes of 2007)

QUESTIONS / MAINTENANCE

Questions concerning the bulletin and any of the exhibits should be directed to:

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Additional copies of this document and its exhibits may be requested through ADP's Resource Center by calling (800) 879-2772 and through ADP's Website at www.adp.ca.gov.

EXHIBITS

1. [Overview of Program, Funding, and Allocation Methodologies](#)
2. Individual County Summary (County Administrators Only)
3. [Statewide Allocation Summary](#)
4. [SAPT Block Grant Pilot Exchange Program](#)
5. [Funding Periods Chart](#)

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